

Dell Inc. (DELL) SWOT Profile

Reference Code: GDME40286FSA

Publication Date: APR 2010

Company Snapshot

Key Information

| Dell Inc., Key Information | |
|--|--------------|
| Web Address | www.dell.com |
| Financial year-end | January |
| No. of Employees | 76,500 |
| NASDAQ | DELL |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Key Ratios

| Dell Inc., Key Ratios | |
|--|-------|
| P/E | 23.08 |
| EV/EBITDA | 13.10 |
| Return on Equity (%) | 25.40 |
| Debt/Equity | 72.30 |
| Operating Profit Margin (%) | 4.10 |
| Dividend Yield | NA |
| Note: Above ratios are based on share price as of 15-Apr-2010 | |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Share Data

| Dell Inc., Share Data | |
|--|---------|
| Price (USD) as on 15-Apr-2010 | 16.90 |
| EPS (USD) | 0.73 |
| Book Value per Share (USD) | 2.90 |
| Diluted Weighted Average Shares (in million) | 1,962.0 |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Performance Chart



Company Overview

Dell Inc. (Dell) is a US-based company, engaged in designing, developing, manufacturing, marketing, and supporting information technology systems. It is also engaged in servicing printers, servers, and other related products. The company operates through four reportable business segments, namely, Americas Commercial, EMEA Commercial, APJ Commercial and Global Consumer. The company's product portfolio includes laptops, desktops, workstations, storage devices and printers.

SWOT Analysis

| Dell Inc., SWOT Analysis | |
|--|--------------------------------|
| Strengths | Weaknesses |
| Strong Operating Margin | Limited Liquidity Position |
| Efficient Use of Resources | Lawsuits and Fines |
| Strong Product Portfolio | Declining Top-Line Performance |
| Opportunities | Threats |
| Cost Reduction Initiatives | Economic Downturn |
| Focus on Small and Medium Businesses | Change of Business Model |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Financial Performance

The company reported revenues of (U.S. Dollars) USD 52,902.00 million during the fiscal year ended January 2010, a decrease of 13.42% from 2009. The operating profit of the company was USD 2,172.00 million during the fiscal year 2010, a decrease of 31.91% from 2009. The net profit of the company was USD 1,433.00 million during the fiscal year 2010, a decrease of 42.17% from 2009.

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 Apr 06, 2010: Dell And Goodwill Expand Free Computer Recycling Partnership To Canada 28

 Mar 24, 2010: Dell Launches Medical Archiving And PowerEdge C 6100 29

 Mar 16, 2010: Dell Introduces New PowerEdge Servers And Updates Three Precision Tower Workstations 30

 Mar 10, 2010: Dell simplifies data backup, recovery for SMBs 31

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Dell Inc. - Key Facts

| Dell Inc., Key Facts | | | |
|--|---|--------------------------|---------------|
| Corporate Address | One Dell Way, Round Rock, TX, 78682, United States | Ticker Symbol, Exchange | DELL [NASDAQ] |
| Telephone | +1 512 3384400 | No. of Employees | 76,500 |
| Fax | | Fiscal Year End | January |
| URL | www.dell.com | Revenue (in USD Million) | 61,101 |
| Industry | Clean Technology, Retailing, Technology | | |
| Locations | Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Costa Rica, Denmark, Finland, France, Germany, Greece, Hungary, India, Indonesia, Ireland, Italy, Japan, Malaysia, Mexico, Panama, Philippines, Poland, Republic of Korea, Romania, Singapore, Spain, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, United States, Vietnam | | |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | | | |

Dell Inc. - Business Description

Dell Inc. (Dell) is a leading provider of desktops and laptops in the US and Europe. The company provides a wide range of advanced technology systems and services, along with the industry's greenest desktops and notebooks. It holds a worldwide portfolio of 1,954 patents and several other patent and trademark pending applications. Dell is also certified by the International Standards Organization for its design, manufacturing and service of computer products across the world. The company sells its products and services through select retailers and third-party value-added resellers. It retails its merchandise directly to customers through telephone orders and website.

The offerings of the company are classified into several product lines including desktop computer systems, mobility products, software and peripherals, servers and networking products and storage products.

The company's desktop computer systems include desktops of several designs for various customer segments. Its various lines of desktops include Inspiron, XPS, Alienware Vostro, OptiPlex and Precision. The XPS and Alienware lines are with multimedia capability for providing highest gaming performance. The OptiPlex line is designed for business, government and institutional customers to manage their total cost of ownership by offering a portfolio of secure, manageable and stable lifecycle products. The Inspiron line of desktop computers are designed for mainstream PC users requiring the latest features for their productivity and entertainment needs and Vostro line is designed to provide technology and services to suit the specific needs of small businesses. In the fiscal year 2009, this product category contributed 29% to the total revenues of the company.

The company's mobility product line includes innovative systems that are elegant, sleek, thin and light weight. Its product line includes XPS, Alienware, Latitude, Inspiron and VostroT lines of laptop computers. It also offers handhelds and Mp3 players. The XPS M1330 product line includes a novel mobile platform featuring a 13.3-inch high definition display and ultra-portable form factor. The Precision line of mobile workstation products are developed for advanced applications and exceptional performance. In the fiscal year 2009, this product category accounted for 31% of the revenues of the company.

The company's software and peripherals product line offers Dell-branded printers, displays and other third-party peripheral products such as software titles, printers, televisions, laptop accessories, networking and wireless products, digital cameras, power adapters, scanners and other products. The company offers products from nearly 2,000 software publishers, through the acquisition of ASAP Software Express Inc., a leading software

solutions and licensing services provider. Dell also provides a wide variety of branded and non-branded display products, including flat panel monitors and projectors. This product line contributed 17% to the total revenues in the fiscal year 2009.

The company's servers and networking product line is engaged in providing networking products and servers. The PowerEdge line of servers is designed to provide its customers the scalability and its options include rack, blade and tower servers for enterprise customers, small organizations, networks and remote offices. Dell's PowerConnect switches are used to connect computers and servers in small-to-medium-sized networks. PowerConnect products offer enterprise-class features and customized Dell server solutions for very large data center customers. This product line's contribution to total revenues was 10% in the fiscal year 2009.

The company's storage product and services product line offer an all-inclusive portfolio of advanced storage solutions such as storage area networks, network-attached storage, direct-attached storage, disk and tape backup systems and removable disk backup. Its product line includes PowerVault, EqualLogic and EMC storage systems, which enable businesses to optimize storage for varied environments with diverse requirements. In the fiscal year 2009, this product line's contribution to total revenues was 4%.

The company's services include infrastructure consulting services, deployment services, asset recovery and recycling services, training services, support services, and managed services. Its green initiatives include focus on various programs such as Energy Smart, Plant a Tree for Me and Plant a Forest for Me and free recycling initiatives. Through its Energy Smart program, the company is engaged in designing energy-efficient products that reduce power requirements. It is also working with its commercial customers to design and incorporate efficient computing infrastructure and data centers to reduce energy use. Through its program Plant a Tree for Me and Plant a Forest for Me, it helps its clients to reduce their carbon emissions. Dell has increased its green power usage. The company has increased the amount of green power purchased from utility providers to 81,000 megawatt-hours (MWh) per year. The company is also involved in efficient recycling and reuse of electronic waste. Dell and Goodwill Industries offer consumers free recycling services for any brand of computer equipment in any condition. Through Dell recycling, customers are able to donate their computers to disabled and economically disadvantaged children and adults. In the fiscal year 2009, the services contributed 9% to the total revenues.

The company classifies its business operations into four segments, namely, Americas Commercial, EMEA Commercial, Asia Pacific-Japan (APJ) Commercial and Global Consumer. In the fiscal year 2009, the Americas Commercial segment accounted for 47% of the revenues, followed by EMEA Commercial (22%), APJ Commercial (12%) and Global Consumer (19%).

The company has organized its business into four units, namely, Consumer, Large Enterprise, Public, and Small and Medium businesses. Large Enterprise business unit will focus on IT infrastructure and solutions, while Public business unit will serve customers in government, health care, and education, among others. Its Small and Medium Business focuses on small and medium businesses related solutions and technology.

In healthcare, the company offers a full portfolio of advanced technology solutions to solve real business problems, simplify IT operations and help in improving patient care. Its featured ehealthcare solutions include electronic magnetic records (EMR), practice management, PACS, medical imaging, electronic prescribing and wireless mobility. In addition, it offers life science solutions for clinical trials, supply chain management, and research and development.

In early 2009, the company introduced Adamo brand - considered as the thinnest laptop series in the world. Dell also announced its new data center infrastructure products, which are designed to help its customers by simplifying and managing data center environment requirements while improving energy efficiency. Further, Dell launched Studio XPS 435, new desktop PC with elite performance, expandability and a bold design.

In January 2009, the company acquired Microsoft IT consulting and solutions segments of Allin Corporation through a USD 12 million stock purchase agreement. The acquisition of Perot marks Dell's foray into IT services and support segment. Further in September 2009, Dell has signed a definitive agreement to acquire Perot Systems in a USD 3.9 billion deal. Once the transaction is completed, Perot Systems will become a services

unit of Dell. This transaction will enable Dell to expand its enterprise solutions capabilities, to provide a range of IT services and solutions, and also to supply its computer systems to Perot Systems' customers.

In June 2009, the company launched 83 Media World stores in Italy, strengthening its retail presence. In September 2009, Dell opened its first flagship store in Shanghai, China, expanding its sales network in China. Earlier, in April 2009, Dell launched its Mobile Clinical Computing Solution at Healthcare Information and Management Systems Society (HIMSS), which enable customers for optimal utilization of information technology for various environments with on-demand desktop streaming, virtual remote desktop and dedicated remote workstation.

In August 2009, Dell launches new netbook for kids. It provides parental controls to direct and monitor kids' online activities.

Dell Inc. - Major Products and Services

Dell is focused on designing, developing, manufacturing, marketing and servicing personal computers, printers, servers and other related products. The company's key products and services include the following:

| Dell Inc., Major Products and Services | |
|--|--|
| Products: | |
| Desktop Computer Ssystems | |
| Mobility Products | |
| Software and Peripherals | |
| Networking Products | |
| Servers | |
| Storage Products | |
| Printers | |
| Services: | |
| Infrastructure Consulting Services | |
| Deployment Services | |
| Asset Recovery and Recycling Services | |
| Training Services | |
| Support Services | |
| Managed Services | |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Dell Inc. - History

| Dell Inc., History | | |
|--------------------|--------------------------------|--|
| 2008 | Acquisitions/Mergers/Takeovers | The company completed its USD 1.4 billion acquisition of EqualLogic, a leading provider of high-performance storage area network (SAN) solutions. |
| 2008 | New Products/Services | Dell launched Assessment and Consulting Services to simplify the evaluation and selection of storage, backup, recovery and archiving environments. |
| 2008 | Acquisitions/Mergers/Takeovers | The company completed the acquisition of The Networked Storage Company (TNWSC), a leading IT consultancy firm. |
| 2007 | Contracts/Agreements | Dell signed an agreement to acquire privately-held Everdream, a provider of Software as a Service (SaaS) solutions. |
| 2007 | Contracts/Agreements | Dell and Staples entered into a retail agreement and environmental collaboration. |
| 2007 | Contracts/Agreements | Dell partnered with Gome, China's largest consumer electronics retailer on retail sales in China. |
| 2007 | Contracts/Agreements | Dell and SAP partnered to simplify information technology for retail operations. |
| 2007 | Acquisitions/Mergers/Takeovers | Dell entered into an agreement to acquire privately-held ZING Systems. |
| 2007 | Contracts/Agreements | Dell entered into an agreement to acquire ASAP Software. |
| 2007 | Contracts/Agreements | Dell and Bic Camera partnered on retail sales in Japan. |
| 2007 | Acquisitions/Mergers/Takeovers | The company entered into an agreement to acquire privately-held SilverBack Technologies. |
| 2007 | Contracts/Agreements | Dell entered into an agreement with Emerson Network Power and its Liebert power and cooling business. |
| 2007 | New Products/Services | The company launched Latitude D630, the first notebook computer. |
| 2007 | Corporate Changes/Expansions | Dell established a new global research and development center in |

| | | |
|------|--------------------------------|---|
| | | Bangalore. |
| 2006 | Contracts/Agreements | Dell and Sprint entered into a partnership to offer notebook computers. |
| 2006 | Corporate Changes/Expansions | The company established a new facility in the Edmonton Research Park housing 1,000 employees. |
| 2006 | Contracts/Agreements | Dell and EMC extended their global alliance for five years. |
| 2006 | Acquisitions/Mergers/Takeovers | The company acquired Alienware Corporation. |
| 2005 | Corporate Changes/Expansions | The company opened its third US manufacturing location in Winston- Salem, North Carolina. |
| 2005 | Contracts/Agreements | Dell entered into a contract with Bombardier Recreational Products. |
| 2004 | Corporate Changes/Expansions | The company opened a Dell Enterprise Command Center (ECC) in Limerick, Ireland. |
| 2003 | Corporate Changes/Expansions | The company's name was changed from Dell Computer Corporation to Dell. |
| 2001 | New Products/Services | The company launched Blade server, Aximx5 handheld and 3100MP projector. |
| 1999 | Acquisitions/Mergers/Takeovers | Dell acquired CovergeNet, a storage hardware and software developer. |
| 1998 | Corporate Changes/Expansions | Dell expanded its manufacturing facilities in the Americas and Europe. |
| 1996 | Corporate Changes/Expansions | The company started Asia Pacific manufacturing center in Malaysia. |
| 1996 | New Products/Services | Dell started selling computers through its website. |
| 1990 | Corporate Changes/Expansions | The company opened a manufacturing center in Limerick, Ireland. |
| 1989 | New Products/Services | The company introduced its first notebook computer. |
| 1988 | Stock Listings/IPO | The company made its initial public offering. |

| | | |
|--|-----------------------------|---|
| | | |
| 1985 | New Products/Services | The company introduced the Turbo, its first PC. |
| 1984 | Incorporation/Establishment | Michael Dell founded the company as Dell Computer Corporation (Dell) in 1984. |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | | |

Dell Inc. - SWOT Analysis

SWOT Analysis - Overview

Dell Inc. is focused on designing, developing, manufacturing, marketing and servicing personal computers, printers, servers and other related products. It serves large corporate, government, healthcare and education customers. It also serves small to medium businesses and individual consumers. The company has developed a strong competitive position in the market through strong product portfolio and focused channel operations. Lawsuits and allegations, and its declining operating margins are areas of concern. Going forward, economic downturn and competition may impede its growth opportunities. However, Dell's latest agreement to acquire Perot and its other recent acquisitions offer scope for growth.

Dell Inc. - Strengths

Strength - Strong Operating Margin

The company's operating margin was 5.22% for the fiscal year 2009. This was above the Computer Hardware sector average* of 2.5%. A higher than sector average* operating margin may indicate efficient cost management or a strong pricing strategy by the company. However, the company's operating margin has declined 41 basis points (bps) over 2008 which may indicate that the company's cost management and pricing strategy is weakening.

Strength - Efficient Use of Resources

The company's return on equity (ROE) was 58.0% for fiscal year 2009. This was above the Computer Hardware sector average* of 6.2%. A higher than sector average* ROE may indicate that the company is efficiently using the shareholders' money and that it is generating high returns for its shareholders compared to other companies in the sector.

Strength - Strong Product Portfolio

Dell has a wide range of IT hardware products, which makes it a leader in the market. Its products include laptops/notebook computers, mini netbooks, desktops, keyboards, mice, and monitors. It also acts as a distributor of toners, GPS products, mice, digital cameras, gaming consoles, mobile phones, PDAs, televisions, etc. It also is a third-party vendor of operating systems, besides selling software solutions including anti-virus suite and Internet security ware. The company also provides related services to its customers including configuration, installation, and maintenance services. In addition, it offers financial services to its customers, enabling them to buy on credit. Wide range of products and related services enable it to retain its customer base.

Strength - Focused Channels Operations

The company organized its operations against four customer segments namely consumer, SME, large enterprise and the public sector. Dell's marketing strategy are organized under three principles namely need, trend and the characteristics of its customers. Dell operates on the customer-focused direct business model and indirect sales channels outside the US. The direct sales operations of the company are spread across 13 markets namely Australia, Brunei, China, Hong Kong, India, Japan, Korea, Macau, Malaysia, New Zealand, Singapore, Taiwan and Thailand. Furthermore, the company operates 38 distributors who serve another 31 markets. It believes in maintaining direct contact with its customers. The company has the most efficient and effective supply chain management in place. The customers place their orders either by telephone or through the website and the customized product reaches their doorstep within seven days. The assembled products are directly shipped from the warehouses of the company to the customers. The company gets continuous benefits from its direct business models through direct and continuous feedback from customers. The feedbacks from customers help the company in developing and refining Dell's products and marketing programs for specific customer groups. Furthermore, the company's direct sales team helps to minimize the costs and reduces its sales credit risk as it collects receivables directly from the customers. Moreover, its indirect sales channels help to capitalize on the relationships and gain valuable knowledge of traditional customs and logistics.

Dell Inc. - Weaknesses

Weakness - Limited Liquidity Position

The company's current ratio was 1.36 at the end of fiscal year 2009. This was below the Computer Hardware sector average* of 2.34. A lower than sector average* current ratio indicates that the company is in a weaker financial position than other companies in the sector.

Weakness - Lawsuits and Fines

The company has been involved in various law suits, and it faces several allegations on different count. In September 2009, Dell has decided to settle allegations of deceptive and false advertising of its promotional credit financing and warranties in a New York consumer case by paying USD 4 million in penalties and restitution. Early 2009, Dell had to pay USD 3.35 million as a settlement of a lawsuit with 34 states for allegations of misleading consumers about financing terms, warranties and rebates. The company agreed to pay USD 1.5 million into an account for consumer restitution. Furthermore, the states would also receive a total of USD 1.85 million as costs to cover their expenditure for investigations. Moreover, the company has also agreed to several changes including clearer advertisements and disclosures about financing terms and warranty services, prompter rebates and more intense efforts to resolve consumer complaints. Such business shortcomings hamper the brand image and financial position of the company.

Weakness - Declining Top-Line Performance

The company reported USD 61,101 million of revenues in 2009 as compared to USD 61,133 million in 2008. Also, the company's compounded annual growth rate (CAGR) for revenue was 5.61% during 2005-2009. This was below the Computer Hardware sector average* of 10.99%. A lower than sector average* revenue CAGR may indicate that the company has underperformed the average sector growth and lost market share over the last four years. The company's underperformance could be attributed to a weak competitive position or inferior products and services offering or lack of innovative products and services.

Dell Inc. - Opportunities

Opportunity - Cost Reduction Initiatives

The company is focused on minimizing its costs, as a means to strengthen its business amidst difficult market environment. It targets cost-cutting to the tune of USD 4.0 billion by 2011. Diverse strategic initiatives in this line include strategic closure of strategically unfit facilities, lay-offs, and migration of its production facilities to low-cost countries, as part of its measures to enhance productivity, simplify operations, minimize costs, and offering higher levels of customer satisfaction. In early 2009, the company decided to relocate its computer systems manufacturing in Limerick, Ireland to Poland, in a phased manner. The Limerick facility has been serving the company's customers in Europe, Middle East and Africa. However, the company has decided to retain its EMEA Command Center and Global Innovation Solutions Center at Limerick. Later in July 2009, the company sold its Lebanon, Tennessee-based North American remanufacturing operation to a US-based third-party logistics services provider, GENCO Supply Chain Solutions. In September 2009, the company also announced its decision to close its Twin Falls, Idaho-based Customer Contact Facility. On top of these, the company also embarked on energy-saving initiatives, which could save Dell about USD 5.8 million, annually. Part of energy-saving initiatives would see upgrades to its facilities across the globe. The company is likely to save about 48 million kilowatt hours per year, across its facilities, worldwide. Strategic initiatives such as these would see the company trimming down its costs drastically, strengthening its bottom-line performance.

Opportunity - Focus on Small and Medium Businesses

The company, a leader with 28% share in the small and medium businesses in North America, is focusing on improving sales of its products, services and solutions for small and medium businesses. It has been launching SSC-Small and Medium Businesses Solution Centers worldwide. A SSC-Small and Medium Businesses Solution Center sells a full line of products, services and solutions of Dell exclusively for SMB customers. It also offers customized IT solutions and pre-installed Microsoft operating systems. These centers carry the products specially designed for SMB's such as Vostro desktops and notebooks, PowerEdge servers, PowerVault storage, and DellEquallogic storage. These centers prove to be the foundation of Dell's entire sales network. They would enable Dell in expanding its customer base and market share.

Opportunity - Business Diversification – Acquisition of Perot

The company has been over-exposed to IT hardware segment, and hence it is focused on diversifying into new areas, including managed IT services. In this direction, in September 2009, it inked a definitive agreement to acquire Perot Systems, a US-based IT services company. The acquisition will expand the company's presence in the global IT services and support market, particularly around healthcare and government sectors. This

acquisition is critical as its IT hardware sales have been falling in recent quarters. The acquisition will enable Dell to fulfill customers demand for building private cloud networks, and virtualizing datacenters. With US federal government expanding the government-backed healthcare coverage, the acquisition of Perot, which generates about 48% of its revenues from the healthcare industry and 25% from government sectors, could enhance Dell's top-line, besides expanding into new important markets. The company is also expected to gain synergies through integrating its services unit with Perot, and its services unit will operate out of Perot's headquarters at Plano. Combined services business can generate revenues to the tune of USD 8.0 billion. Dell also estimates cost-savings to the tune of USD 300 million from the two companies in the next two years. The acquisition also may enable the company to strength its competitiveness in the marketplace. However, the deal is valued at USD 3.9 billion, which is at 68% premium over Perot's stock value.

Opportunity - Outlook for PC Shipment

Although PC shipment has come down in recent times, the long-term outlook looks positives. It is estimated that growth in global PC shipments will be in double digit after 2010 and the annual shipments are expected to reach over 420 million by 2013. During 2010-2013, portable computers comprising notebooks, laptops, and mini-notebooks are to outgrow desktop PCs. Factors that would drive the demand for PC include low-cost, thin-and-light consumer portables computers. The company can capitalize on this trend.

Opportunity - Strategic Acquisitions

The company is focused on acquisitions that complement its existing businesses. In this direction, In early 2009, Dell acquired Allin Corporation's (Allin) Microsoft IT consulting and solutions segments through a USD 12 million stock purchase agreement. The company acquired Allin's business units located in Pittsburgh, Philadelphia, San Jose and Walnut Creek. The business units of Allin were engaged in providing consulting services around Microsoft's core infrastructure as well as business management software and services. The company could benefit from faster and more flexible IT environments for customers, through delivering and exploiting Microsoft technologies to their business advantage. The company also could scale its operations in IT infrastructure consulting through the acquisition by associating itself with Microsoft, the industry leader for the segment. Earlier, during the year 2008, the company completed the acquisition of EqualLogic Inc., a provider of Internet Protocol iSCSI storage area network (SAN) solutions specifically designed for virtualization. With this acquisition, the company could strengthen its products and network channel. In addition, the company acquired four other companies including ASAP Software Express, Silverback Technologies Inc., Everdream Corporation and Zing systems in the year 2008. ASAP Software Express is a provider of software solutions and licensing services. This acquisition would enable Dell to take advantage of ASAPs expertise in software licensing and license management. It would also enable the company to offer products from more than 2,000 software publishers. Strategic acquisitions such as these would enhance its product portfolio and global reach.

Dell Inc. - Threats

Threat - Economic Downturn

The company has been badly impacted by lower sales and turnovers during the last quarter of 2009, and into the first two quarters of 2010 due to the current economic downturn. The global economic downturn has significantly impacted the worldwide business and consumer spending on information technology (IT) principally personal computers (PCs) and servers. According to the World Bank, global GDP growth is projected to contract by 2.9% in 2009, with 1.2% growth rate in developing economies - well below the 8.1% growth rate in 2007. Economic growth slowed sharply in Europe, the US and Japan. According to the Economist Intelligence Unit, GDP growth will weaken in 2009, to 0.5% per annum in the US and the Eurozone would contract more sharply by 1.5% from 0.9% growth. In addition, as per the forecast by the Government of Japan, the country's economy will have zero growth in the fiscal year ending March 2010. The scenario may have negative impact on the company's overall business opportunities.

Threat - Change of Business Model

The company has increased its operations through organic growth by expanding its presence and portfolio offered. The company recently announced it is shifting its operations towards higher margin enterprise products, including servers, software, storage and services. Dell also has plans for acquiring a few mid sized companies to enter into higher margin products segments. A significant change in its business operations may impact the overall strategic position of the company as high margin products are already flooded with large players and require restructuring in its strong direct business model. Furthermore, the company could be impacted by various factors including strategic rationale, funding strategy, target financial performances relative to

transaction price, and integration risk, including the extent to which it diverts management's attention from achieving its USD 4 billion cost reduction target.

Threat - Competition

Competition is intense in a shrinking IT hardware market, in which, the company operates. The company competes with companies such as IBM and HP, which enjoy significant market position and financial strengths. There are also influx of small players offering hardware such as mice and keyboard. With so many market players, companies compete in terms of pricing. This could have an impact on its margin. After sales service is also another critical area, where the companies try to stand out.

Threat - Increasing Capital Requirements

Dell's debt financing requirements are expected to increase by 2010 due to the expiration of CIT Group Inc.'s (CIT) minimum funding right on January 31, 2009. The company benefited by the minimum funding right as CIT purchases a percentage of finance receivables originated by Dell Financial Services (DFS). Due to the expiration of minimum funding right with CIT, the company had to fund 100% of its new finance originations via unsecured debt. Moreover, the company had to sell its finance receivables of DFS through an off-balance sheet securitization program. The company in the past had securitized USD 1.2 billion and USD 1.1 billion of customer receivables. Dell maintained USD 1.2 billion and USD 1 billion principle balance of the securitized receivables at the end of 2008 and 2007, respectively. The company is contingent on size and timing of any future debt offering which may impact the growth rate of DFS' asset portfolio and will also impact the financial leverage target for the retained finance receivables portfolio of the company.

NOTE:

* Sector average represents top companies within the specified sector

The above strategic analysis is based on in-house research and reflects the publishers opinion only

Dell Inc. - Key Competitors

The following companies are the major competitors of Dell Inc.:

Softchoice Corporation

EMC Corporation

CDW Corporation

Software House International

International Business Machines Corporation

Acer Incorporated

Lenovo Group Limited

Hewlett-Packard Company

Gateway, Inc.

Apple Computer, Inc.

Dell Inc. - Key Employees

| Dell Inc., Key Employees | | | | |
|--|---|---------------------|-------|-----|
| Name | Job Title | Board Level | Since | Age |
| Michael S. Dell | Chairman, Chief Executive Officer | Executive Board | 2007 | 44 |
| Donald J. Carty | Director | Non Executive Board | 1992 | 61 |
| Samuel A. Nunn | Director | Non Executive Board | 1999 | 70 |
| William H. Gray, III | Director | Non Executive Board | 2000 | 67 |
| Sallie L. Krawcheck | Director | Non Executive Board | 2006 | 44 |
| Judy C. Lewent | Director | Non Executive Board | 2001 | 60 |
| Thomas W. Luce III | Director | Non Executive Board | 2006 | 68 |
| Klaus S. Luft | Director | Non Executive Board | 1995 | 67 |
| Alex J. Mandl | Director | Non Executive Board | 1997 | 65 |
| James W. Breyer | Director | Non Executive Board | 2009 | 47 |
| Brad R. Anderson | Senior Vice President, Enterprise Product Group | Senior Management | 2009 | 49 |
| Paul D. Bell | President, Public | Senior Management | 1996 | 48 |
| Jeffrey W. Clarke | Vice Chairman Operations & Technology | Senior Management | | 46 |
| Andrew Esparza | Senior Vice President, Human Resources | Senior Management | 1997 | 50 |
| Ronald G. Garriques | President, Global Consumer Group | Senior Management | 2007 | 45 |
| Brian T. Gladden | Chief Financial Officer, Senior Vice President | Senior Management | | 44 |
| Stephen F. Schuckenbrock | President, Large Enterprise | Senior Management | | 48 |
| Lawrence P. Tu | General Counsel, Senior Vice President | Senior Management | | 54 |
| Stephen J. Felice | President, Small and Medium Business | Senior Management | | 51 |
| Erin Nelson | Chief Marketing Officer, Senior Vice President | Senior Management | 2009 | 39 |
| David L. Johnson | Senior Vice President, Corporate Strategy | Senior Management | | |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | | | | |

Dell Inc. - Key Employee Biographies

| Dell Inc., Key Employee Biographies | |
|---|---|
| <p>Michael S. Dell</p> <p>Job Title: Chairman, Chief Executive Officer</p> <p>Board Level: Executive Board</p> <p>Since: 2007</p> <p>Age: 44</p> | <p>Michael S. Dell has been the chairman of the board of directors and the chief executive officer of Dell since 2007. He founded the company in 1984. Mr. Dell and his wife formed the Michael & Susan Dell Foundation in 1999, and he also formed MSD Capital In 1998. He serves on the Foundation Board of the World Economic Forum, the executive committee of the International Business Council and is a Member of the U.S. Business Council. He is also on the governing board of the Indian School of Business, Hyderabad, India.</p> |
| <p>Brian T. Gladden</p> <p>Job Title: Chief Financial Officer, Senior Vice President</p> <p>Board Level: Senior Management</p> <p>Age: 44</p> | <p>Brian T. Gladden is the senior vice president and the chief financial officer of Dell. He served as the president and the chief executive officer of SABIC Innovative Plastics Holding BV. Prior to this, he served at General Electric (GE) for 20 years. In the past, he held several responsible positions such as vice president and the general manager and the chief financial officer of GE Plastics. He also employed as vice president and the chief financial officer of GE Medical Systems Healthcare IT business.</p> |
| <p>Erin Nelson</p> <p>Job Title: Chief Marketing Officer, Senior Vice President</p> <p>Board Level: Senior Management</p> <p>Since: 2009</p> <p>Age: 39</p> | <p>Erin Nelson has been the chief marketing officer and a senior vice president of Dell Inc. since 2009. Prior to her current position, she served as the vice president (marketing) for Dell's business in Europe, the Middle East and Africa. Having joined the company in 1999, Ms. Nelson held leadership positions in US consumer marketing, US public sales, EMEA home and small-business marketing, and eBusiness. Before Dell, Ms. Nelson worked for Procter & Gamble, PepsiCo, and A.T. Kearney.</p> |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Dell Inc. - Company Statement

A statement by Mr. Michael Dell, the Chairman and the Chief Executive Officer of Dell Inc is given below. The statement has been taken from his annual letter to customers, partners, shareholders and colleagues.

Over the last 10 years your company grew revenue from \$12 billion to \$61 billion – a remarkable achievement by any count. In fact, in terms of organic growth we stand apart as the fastest-growing technology company in history. But it is also fair to say that as we got to the end of that 10-year period, our strategy wasn't working as well as it had previously. Moreover, as we evolved we lost focus and allowed our cost structure to become non-competitive.

As I returned as your CEO just more than a year ago we undertook a thorough process to reevaluate every element of our business. We listened hard to our customers, employees and partners. And we began a significant evolution that is delivering positive results.

Last year, we generated \$61 billion in revenue and grew our earnings per share by 15 percent to \$1.31. At the end of the year, we were again the No. 1 supplier of personal computer systems in the US and the No. 2 supplier worldwide. Unit shipments were up nearly 19 percent in FY08 Q4, and according to industry estimates we have begun the current year growing faster than the industry.

We continued to maintain strong liquidity with cash flows from operations of \$3.9 billion, and we believe our ability to generate cash flow from operations on an annual basis will continue to be solid. During fiscal 2008 we invested \$4 billion on share repurchases and a net \$2.2 billion on strategic acquisitions. We ended fiscal 2008 with \$9.5 billion in cash and investments compared with \$12.4 billion at the end of fiscal 2007.

We are committed to a long-term share repurchase program as part of an overall capital allocation plan to support growth and to return value to shareholders. In December 2007, our Board of Directors approved an additional \$10 billion for share repurchases.

A Focus on Competitiveness

Our strategy is focused on competitiveness and growth. To achieve the former, we comprehensively reviewed costs across all processes and organizations, which resulted in actions to reduce:

- product and procurement costs by more closely matching our product design to customer segments and eliminating embedded costs associated with features not valued by our customers;
 - operating expenses, including a reduction of global employee headcount by 3,200 on a net basis during fiscal 2008 and a commitment to reduce headcount by at least 8,900 overall; and,
 - manufacturing and logistics costs by optimizing our global manufacturing network.

With these actions, we expect to achieve annualized savings of approximately \$3 billion over the next three years, strengthening our competitive position and profitability.

And as I write this, in our first quarter of fiscal 2009 we've seen meaningful signs of progress in the form of growth across all our key financial metrics, including revenue, operating income and earnings per share.

Through the honest assessment of our business last year, we uncovered several opportunities for improvement. For instance, we were not performing as strongly as our competitors in some of the fastest growing product categories and global geographies, and so our share was declining. Since then we have introduced new product families, including best-in-class products for each segment and unique products for Emerging Countries.

I am excited about the efforts we have in motion to transform our company. We are placing a significant priority on operating expenses and costs, which will give us a better ability to access the enormous opportunities that

we see ahead. Improvements in competitiveness will improve profitability and increase our return to shareholders. From this position we will also continue to reinvest in growth in a focused and disciplined manner.

A Focus on Growth Priorities

At the start of fiscal 2008 we established five growth priorities: Consumer, Enterprise, Notebooks, Small and Medium Businesses and Emerging Countries. The solid progress we made against all five is a credit to the dedication of our team. As we continue on this path, we will measure our progress by our ability to meet our targets, including growing faster than the industry, improving profitability and increasing earnings per share and cash flow.

Consumer

Revitalizing our US Consumer business was a key priority this year. We made a number of changes aimed at increasing growth in unit shipments, revenue and profitability. By year end, we were pleased with the overall momentum and innovation we achieved in this important segment.

Against a backdrop of intense competitive pressure, particularly in the lower-priced desktops and notebooks, we evolved our Consumer business model and have entered into a number of retail partnerships worldwide to complement and extend our existing direct business. By the end of fiscal 2008, Dell was available in more than 12,000 retail outlets, giving customers more choice than ever. We also introduced a number of new products to appeal to consumers, recognizing the increasing importance of product personalization, from product appearance to the ability to see and buy products wherever customers want.

The introduction this year of the XPS One, perhaps the most beautiful Dell ever, reflects the sea of change in design we're bringing customers. This all-in-one premium consumer electronics system offers the best in style, entertainment, design and features. And, our M1330 and M1530 notebooks launched to significant industry acclaim.

By the fourth quarter of fiscal 2008, our US Consumer business began to improve and posted revenue growth of 12 percent over the fourth quarter of fiscal 2007, reflecting initial success due to the changes we have made to reignite growth.

In the coming year we expect to improve our global Consumer sales execution and channel coverage, targeting sales force investments in rapidly growing countries and marketing. We are also designing new, innovative products with faster development cycles and industry-leading features.

Enterprise

Technology was supposed to make our lives simpler and more efficient. But along the way IT became too complex. Our challenge – and our greatest opportunity – is to simplify IT.

Dell is uniquely positioned to reduce the complexity of enterprise IT, and in doing so, be at the forefront of many of the most important trends in our industry. In fiscal 2008 there were perhaps no better examples than virtualization, iSCSI storage and blade servers. We established industry-leading positions in these rapidly growing technologies, providing improved power and cooling, increased data center efficiency and a lower operating cost than our competitors.

Last year we were again No. 1 in the US in server units shipped, and No. 2 worldwide. This success was aided by the launch of our 10G blade servers, the most energy-efficient blade server available. Our PowerEdge servers are ranked No. 1 in server performance for database and virtualization, energy efficiency and price in benchmark testing. And as I meet with CIOs around the world, they consistently tell me that these are their top priorities.

We made bold moves to extend our leadership in Enterprise storage with the acquisition of EqualLogic, an industry leader in iSCSI storage area networks, which enables us to provide the optimal storage architecture for a virtualized environment. The iSCSI opportunity is exceptional, with the sector expected to grow more than 125 percent annually over the next five years.

Customers turn to Dell for products that deliver flexibility, value, configurability, access to innovation and control. In fiscal 2008 we unveiled our strategy and made key acquisitions to do the same for IT services – a \$380 billion opportunity. Configurable Managed Services are the future, giving customers access to the best innovations in the world through remote infrastructure management and software-as-a-service offerings.

With the capabilities gained from Silverback, ASAP Software Express and Everdream, we are building out a powerful mix of enterprise-service offerings. Our acquisition of ASAP, a leading software solutions and licensing services provider, enabled Dell to offer customers products from more than 2,000 software publishers, and to better manage those products in a virtualized environment. ProSupport distills 10 service offerings to two customizable packages from our commercial product and solutions portfolio. This new services model combines disruptive technologies with our core strengths to provide customers convenient and affordable enterprise-class support and monitoring capability.

Just as we are providing customers more products and services to choose from, we are also giving them more choices in how they can buy from us. Our first integrated global channel program, called PartnerDirect, brings our partner initiatives under one umbrella. We now have a more flexible engagement model with our partners, with whom we do more than \$10 billion in business a year.

The creation of Dell's Data Center Solutions (DCS) division this year is another example of how we're simplifying IT. DCS delivers our Cloud-Computing service and design model, allowing customers with hyper-scale computing to optimize their IT infrastructure based on their specific needs. Dell servers today power three of the top-five search engines in the US and the largest Internet portal in China. Beyond the providers of Internet search, social networking and new media, the data-intensive customers that use our cloud-computing solution include major providers of goods and services over the Internet, financial-services organizations, government agencies, university and laboratory environments, and upstream petroleum producers.

Notebooks

We aim to lead the increasing trend toward mobility through innovation, choice and personalization. To do this we have separated our consumer and commercial product design functions — focusing our consumer team on innovation and matching our design cycles with major buying seasons – and our commercial team on stability, reliability, security and manageability. As a result, by the end of this year we will expand our notebook portfolio by 50 percent.

Our teams brought exciting new designs to our notebook families this year, including Inspiron color laptops and the new Vostro product family. For commercial customers, we launched the Latitude XT, one of the thinnest and lightest 12.1-inch convertible tablets available. We also refreshed our Precision line of mobile workstations, which are intended for professional users who run sophisticated applications, and our Alienware line of laptops, our highest-performance gaming systems.

I'm proud of the more than 150 awards we received for Latitude, Vostro, Inspiron and XPS notebooks last year, a testament to our team's work to improve design. For example, our high-end XPS systems continue to earn praise, including multiple mentions in PC World's "Best Products of 2007," PC Magazine's editor's choice awards and the "Best of CES Innovations 2007."

Emerging Countries

Having established a clear leadership position in developed countries, we aim to do the same in Emerging Countries, which represent 85 percent of the world's population and more than 50 percent of worldwide GDP growth. Our focus also extends to rapidly growing opportunities in , Africa, the Middle East, and Asia with a particular emphasis on Brazil, Russia, India, and China.

To do this, we are tailoring our products, services and engagement to meet the unique preferences and needs of customers. In China, we now develop, design, manufacture and sell computer systems and provide related services, in-country. It is no coincidence that last year we moved into the No. 2 position in commercial PCs and No. 1 in servers in China.

Small and Medium Business

Just as we will lead in bringing the next billion people online in Emerging Countries, we will continue to lower the barrier to new business creation, enabling millions of new businesses to start on powerful, but affordable, computing solutions.

We've taken significant steps in the past year to make business growth a reality for more Small and Medium Businesses. In July 2007 we introduced the Vostro family of desktops and notebooks, which is designed to provide the technology and solutions to suit the specific needs of this growing customer set. We also improved the storage solutions we offer to small organizations. And we're helping them grow their business through new services that accelerate the deployment of small-scale datacenter and storage solutions.

We will maintain an intense focus growth through these five priorities through 2009 and a disciplined approach to restoring our competitiveness.

A Sustainable Advantage

Fiscal 2008 also marks the year in which we challenged Dell – and the entire industry – to ensure that our advantages are sustainable. This goal is extremely compatible with improving our competitiveness and growth. We became the first major computer manufacturer to commit to neutralizing the carbon impact of its worldwide operations – a goal we are on track to meet by the end of calendar 2008.

To make it easy for customers to offset the carbon impact of the electricity generation required to power their computer equipment, we launched “Plant a Tree for Me” for consumers, and “Plant a Forest for Me” for enterprises, in partnership with The Conservation Fund and Carbonfund.org.

Our customers are also seeking a sustainable green advantage from Dell. Today we offer the broadest family of green products in the industry. And we are setting new records for power efficiency. For example, Dell M-Series blade servers deliver up to 25 percent better performance per watt than the leading competitor. We remain the only company in our industry offering consumers free product recycling globally. And we continue to offer customers affordable, responsible and convenient recycling options for their used IT equipment, protecting them against data loss and environmental liability.

Our actions reflect an ambitious long-term goal to be the greenest technology company on the planet. We continue to make significant progress toward this goal, and our work is already delivering results.

A Clear Focus and Inspiration

Since our inception, Dell has increased the availability of technology for millions of businesses and enabled millions of people to get online for the first time. Now, more than ever, we are advancing this mission through new ways of listening to and reaching customers, and by expanding and customizing our product and service portfolios.

Dell is evolving at one of the most exciting points in our industry's history. Our team has a clear focus on what we must do to increase our growth and competitiveness. We are committed to sustaining and building on the gains we made in fiscal 2008.

Dell Inc. - Locations And Subsidiaries

Head Office

Dell Inc.
One Dell Way
Round Rock
TX
ZIP: 78682
United States
Tel: +1 512 3384400

Other Locations & Subsidiaries

| Dell Inc., Other Locations | |
|--|--|
| Regional Headquarters Singapore Singapore | |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

| Dell Inc., Subsidiaries | |
|---|--|
| Dell Canada Inc. 155 Gordon Baker Road Suite 501 North York, Zip: M2H 3N5 Canada Tel: +1 416 758 2100 | Alienware Corporation 14591 SW 120th St. Miami Florida Zip: 33186 8638 United States |
| EqualLogic, Inc. 9 Townsend West Nashua Zip: 03063 United States Tel: +1 603 579 9762 Url: www.equallogic.com | Dell Corporation Limited Milbanke House Berkshire Zip: RG12 1RW United Kingdom Tel: +44 1344 860456 Fax: +44 1344 372767 |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | |

Dell Inc. - Financial Ratios

Financial Ratios - Capital Market Ratios

| Dell Inc., Ratios based on current share price | |
|--|-------------|
| Key Ratios | 15-Apr-2010 |
| P/E (Price/Earnings) Ratio | 23.08 |
| EV/EBITDA (Enterprise Value/Earnings Before Interest, Taxes, Depreciation and Amortization) | 13.07 |
| Enterprise Value/Sales | 0.50 |
| Enterprise Value/Operating Profit | 12.18 |
| Enterprise Value/Total Assets | 0.79 |
| Note: Above ratios are based on share price as of 15-Apr-2010, the above ratios are absolute numbers | |
| Source: Annual Report, Company Website, Primary and Secondary Research | |
| GlobalData | |

Financial Ratios - Annual Ratios

| Dell Inc., Annual Ratios | | | | | | |
|--|---------------|--------|--------|--------|--------|--------|
| Key Ratios | Unit/Currency | 2006 | 2007 | 2008 | 2009 | 2010 |
| Equity Ratios | | | | | | |
| EPS (Earnings per Share) | USD | 1.47 | 1.14 | 1.31 | 1.25 | 0.73 |
| Book Value per Share | USD | 1.74 | 1.99 | 1.86 | 2.20 | 2.88 |
| Cash Value per Share | USD | 3.03 | 4.29 | 3.77 | 4.30 | 5.43 |
| Profitability Ratios | | | | | | |
| Gross Margin | % | 17.73 | 16.57 | 19.09 | 17.93 | 17.51 |
| Operating Margin | % | 7.85 | 5.35 | 5.63 | 5.22 | 4.11 |
| Net Profit Margin | % | 6.46 | 4.50 | 4.82 | 4.06 | 2.71 |
| Profit Markup | % | 21.55 | 19.86 | 23.60 | 21.85 | 21.22 |
| PBIT Margin (Profit Before Interest & Tax) | % | | | | | 4.11 |
| PBT Margin (Profit Before Tax) | % | 8.26 | 5.83 | 6.26 | 5.44 | 3.83 |
| Return on Equity | % | 89 | 58.19 | 76.97 | 58.02 | 25.40 |
| Return on Capital Employed | % | 61.9 | 39.14 | 38.07 | 27.40 | 14.78 |
| Return on Assets | % | 15.49 | 10.08 | 10.69 | 9.35 | 4.26 |
| Return on Fixed Assets | % | 80.29 | 53.90 | 44.79 | 50.24 | 23.09 |
| Return on Working Capital | % | 270.33 | 142.92 | 254.06 | 60.28 | 41.10 |
| Growth Ratios | | | | | | |
| Sales Growth | % | 13.57 | 2.93 | 6.47 | -0.05 | -13.42 |
| Operating Income Growth | % | 4.18 | -29.94 | 12.05 | -7.27 | -31.91 |
| EBITDA Growth | % | 4.66 | -27.41 | 14.41 | -13.14 | -39.11 |
| Net Income Growth | % | 19.35 | -28.29 | 14.09 | -15.91 | -42.17 |
| EPS Growth | % | 25.15 | -23.50 | 19.85 | 0.46 | -30.18 |

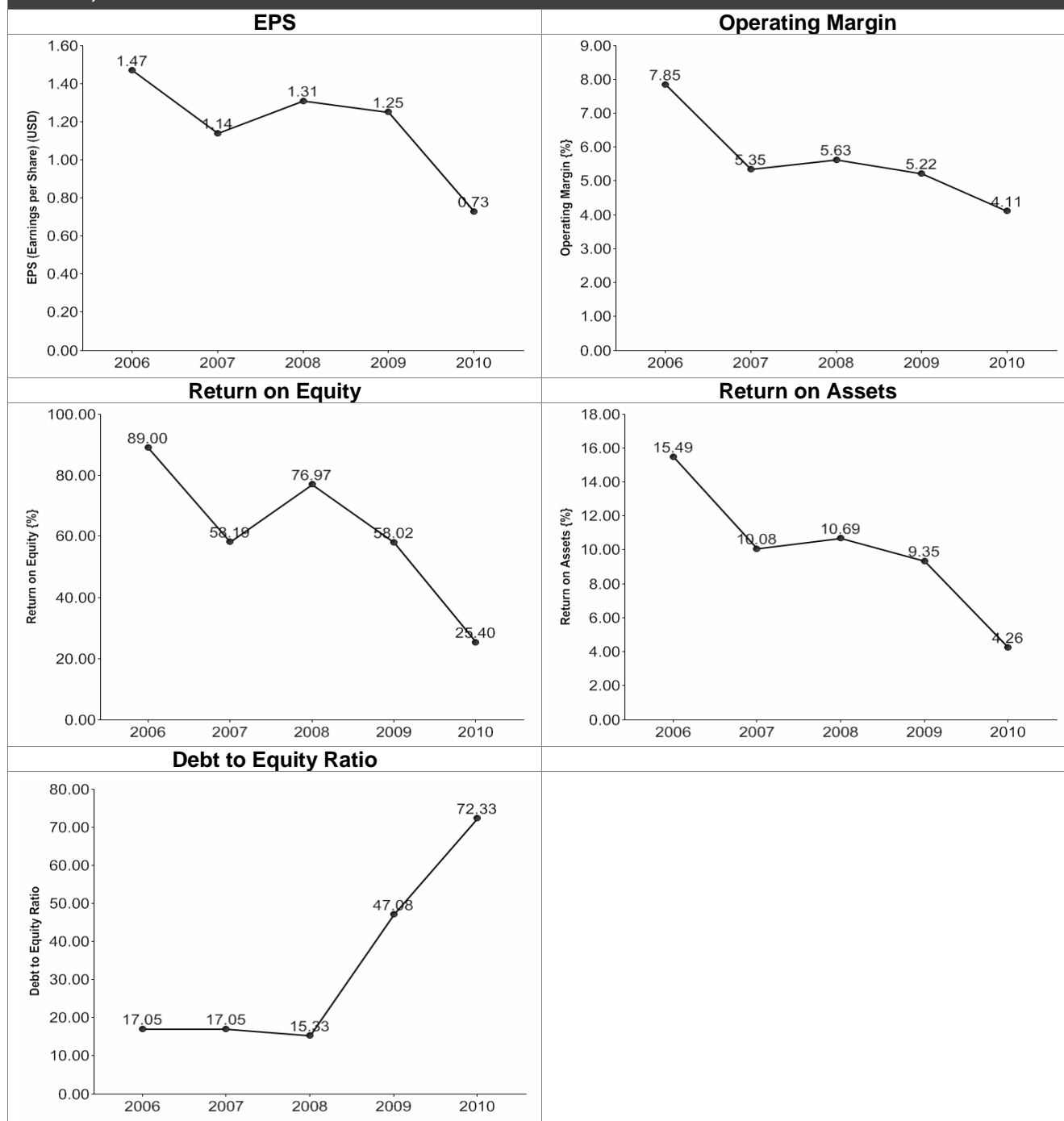
| | | | | | | |
|--|----------|---------|---------|---------|---------|---------|
| Working Capital Growth | % | -41.29 | 32.51 | -36.96 | 290.84 | -0.13 |
| Cost Ratios | | | | | | |
| Operating Costs (% of Sales) | % | 92.15 | 94.65 | 94.37 | 94.78 | 95.89 |
| Administration Costs (% of Sales) | % | 9.05 | 10.36 | 12.33 | 11.40 | 11.77 |
| Liquidity Ratios | | | | | | |
| Current Ratio | Absolute | 1.1 | 1.12 | 1.07 | 1.36 | 1.28 |
| Quick Ratio | Absolute | 1.06 | 1.08 | 1.01 | 1.30 | 1.22 |
| Cash Ratio | Absolute | 0.56 | 0.58 | 0.43 | 0.61 | 0.58 |
| Leverage Ratios | | | | | | |
| Debt to Equity Ratio | % | 17.05 | 17.05 | 15.33 | 47.08 | 72.33 |
| Net Debt to Equity | % | -157.25 | -198.00 | -187.44 | -148.47 | -116.20 |
| Debt to Capital Ratio | % | 9.75 | 9.65 | 6.50 | 17.28 | 27.77 |
| Efficiency Ratios | | | | | | |
| Asset Turnover | Absolute | 2.4 | 2.24 | 2.22 | 2.31 | 1.57 |
| Fixed Asset Turnover | Absolute | 27.99 | 23.84 | 22.91 | 26.83 | 24.26 |
| Inventory Turnover | Absolute | 78.06 | 72.58 | 41.92 | 57.84 | 41.52 |
| Current Asset Turnover | Absolute | 3.14 | 2.88 | 3.08 | 3.03 | 2.18 |
| Capital Employed Turnover | Absolute | 13.79 | 12.94 | 15.97 | 14.31 | 9.38 |
| Working Capital Turnover | Absolute | 34.42 | 26.73 | 45.15 | 11.55 | 10.01 |
| Revenue per Employee | USD | | | | | 691,529 |
| Net Income per Employee | USD | | | | | 18,732 |
| Capex to Sales | % | 1.34 | 1.56 | 1.36 | 0.72 | 0.69 |
| R&D to Sales | % | 0.82 | 0.87 | 1.00 | 1.09 | 1.17 |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | | | | | | |

Financial Ratios - Interim Ratios

| Dell Inc., Interim Ratios | | | | | |
|--|---------------|----------|----------|----------|----------|
| Key Ratios | Unit/Currency | May-2009 | Jul-2009 | Oct-2009 | Jan-2010 |
| Interim EPS (Earnings per Share) | USD | 0.15 | 0.24 | 0.17 | 0.17 |
| Book Value per Share | USD | 2.17 | 2.37 | 2.57 | 2.88 |
| Current Ratio | Absolute | 1.41 | 1.46 | 1.48 | 1.28 |
| Quick Ratio | Absolute | 1.35 | 1.41 | 1.42 | 1.22 |
| Source: Annual Report, Company Website, Primary and Secondary Research GlobalData | | | | | |

Financial Ratios - Ratio Charts

Dell Inc., Ratio Charts



Source: Annual Report, Company Website, Primary and Secondary Research
GlobalData

Recent Developments

Apr 14, 2010: Dell and Telefónica form strategic alliance

To deliver connectivity and communication offerings

Dell and Telefónica have formed strategic alliance that marks the beginning of a new collaboration effort to develop future products and services designed around data-first experiences.

Telefónica said that the new digital ecosystem, under construction, creates huge opportunities and advantages for all industries that transform and adapt to the digital world, and not only in terms of productivity, but also in terms of new lines of initiative, new applications and new business opportunities.

Dell said that the alliance focuses on: to provide customers with choices they value most now deliver next generation offerings first stand enhance the digital customer experience and driving information communications technologies to market

Ron Garriques, president of Dell Communication Solutions Group, said: "The demand for pervasive, instant-on, web-connected devices is everywhere. We are excited to align with Telefónica and leverage our combined strengths to create products and services that provide a simple and seamless experience for our customers."

Apr 08, 2010: Dell extends Latitude family with Intel Core i5, Core i7 processors

Includes two mainstream laptops and one semi-rugged system

Dell has extended the Latitude E-Family line with addition of new models and with new Intel Core i5 and Core i7 processors, fast DDR3 memory, HD displays and other new standards-based features.

The company said that the new models in the Latitude family comprises of two mainstream laptops that include Latitude E6410 and E6510, and one semi-rugged system, Latitude E6410 ATG.

The Latitude E6410 and E6510 are 14.1-inch and 15.6-inch professional laptops that include a 3-megapixel camera and optional discrete graphics from Nvidia are designed for mobile collaboration and advanced productivity. The Latitude E6410 ATG is a 14.1-inch semi-rugged laptop that meets the MIL STD 810F for shock, vibration, temperature, humidity and altitude.

According to Dell, the enhanced features and capabilities of the new Latitude laptops include fast response free fall sensor that prevents data loss from drop optional Dell Latitude ON technology that allows access to e-mail, calendar and contacts without booting up energy smart power management setting to reduce energy consumption

In addition, the enhanced features of the new Latitude laptops include select configurations offer Energy Star and EPEAT certification select configurations of the Dell Latitude E6410 are optimised for Microsoft Office Communicator for increased mobile collaboration and offers secure authentication and data protection.

The company said that the ControlVault, standard on the new systems, offers secure fingerprint authentication implementations with full on-chip built-in contactless card reader for convenient authentication and log-in embedded one-time-password token capability and enabled single sign on - enter credentials once and user is verified all the way through the operating system.

Dell said that it has also developed free tools to help customers image, deploy and manage laptops and desktops using Microsoft System Center, including, Dell Client Deployment Pack for System Center Configuration Manager (SCCM) to help simplify deployment and Dell Client Update Catalog for SCCM to help simplify system updates.

Dell Latitude E6410 and E6510 price start at \$1,129 and \$1,164, respectively.

Apr 07, 2010: Dell, Goodwill Extend Residential Recycling Program To Canada

Dell and Goodwill Industries International have extended their Reconnect partnership to Canada. Reconnect is a residential recycling program that will enable the inhabitants of Southwestern Quebec to drop off used computers for no-cost recycling at Renaissance, a Goodwill affiliate, and Goodwill Great Lakes.

The same facility will be available for the London and Ontario, consumers from May 1.

Reconnect lets consumers drop off any brand of used computers or computer accessories at participating Goodwill donation centers for no-cost recycling. Donated equipment meeting Reconnect's criteria are resold, and devices needing repair are refurbished or broken down into parts to be recycled by Dell partners.

Launched in 2004, Reconnect has saved more than 96 million pounds of e-waste from going to landfills and has created more than 250 jobs in the process with Goodwill employees taking care of computer disassembly and disposal, the company claimed.

The expansion, which adds to more than 1,900 Reconnect locations throughout the US and helps Dell's free computer recycling program assume a global nature.

Jim Gibbons, president and CEO of Goodwill Industries International, said: "The partnership supports Goodwill's job training programs, employment placement services and other community-based programs for people who have disabilities, lack education or job experience, or face other challenges to finding employment."

Mike Watson, senior manager of global recycling services at Dell, said: "Donating used goods to Goodwill has become second nature for most people. Reconnect exemplifies what sustainability practices can mean to our communities. It gives new life these old systems – or, at least, their parts – and gives deserving people jobs and skills they need to be successful."

Apr 06, 2010: Dell And Goodwill Expand Free Computer Recycling Partnership To Canada

Dell Inc. (Dell) and Goodwill Industries International, Inc. (Goodwill) are expanding their Reconnect partnership to Canada. Through this partnership, starting from April 6, 2010 in Southwestern Quebec and on May 1, 2010 in London, Ontario, consumers can drop off used computers for no-cost recycling at Renaissance, a Goodwill affiliate, and Goodwill Great Lakes.

The expansion adds to more than 1,900 Reconnect locations throughout the US and marks Dell's new move to make computer recycling free and convenient for consumers worldwide.

Reconnect lets consumers drop off any brand of computers or computer accessories for no-cost recycling. Donated equipment meeting Reconnect's criteria are resold, and devices needing repair are refurbished or broken down into parts to be recycled by Dell partners.

Jim Gibbons, president and CEO of Goodwill, said: "The partnership supports Goodwill's job training programs, employment placement services and other community-based programs for people who have disabilities, lack education or job experience, or face other challenges to finding employment."

Launched in 2004, Reconnect has diverted more than 96 million pounds of e-waste from landfills and created more than 250 green jobs, with Goodwill employees managing responsible computer disassembly and disposal.

Mike Watson, senior manager of Dell global recycling services, said: "The Reconnect model really works. Donating used goods to Goodwill has become second nature for most people. Reconnect exemplifies what sustainability practices can mean to our communities. It gives new life these old systems – or, at least, their parts – and gives deserving people jobs and skills they need to be successful."

Mar 24, 2010: Dell Launches Medical Archiving And PowerEdge C 6100

Dell, Inc. (Dell) has unveiled solutions to enable healthcare, higher-education and government organizations to better use technology to manage data, conduct research and fulfill their missions in a more efficient and secure manner.

Dell Medical Archiving and PowerEdge C 6100 for HPC are elements of Dell's overarching enterprise strategy to deliver open, capable and affordable solutions that help organizations capitalize on next-generation efficiency and avoid the cost and complexity of proprietary technology from other vendors.

The solutions are backed by Dell Perot System's expertise in providing public-sector organizations with services that reduce complexity related to IT deployment, planning and management.

Precipitated by an explosion of digital data in healthcare created by Electronic Medical Records (EMRs), Picture Archiving Communications Systems (PACS), digital pathology and genomics and regulatory requirements dictating its management and archiving, hospitals around the world are facing mounting data-storage challenges. A recent Dell-sponsored HIMSS Analytics survey, small and medium hospital IT executives identified the scaling and management of storage and data security among their greatest IT productivity and scaling challenges.

In response, Dell has developed object-based Medical Archiving. Based on the upcoming Dell DX Object Storage Platform, the Dell Medical Archiving Solution enables healthcare organizations to access, store and distribute data while meeting regulatory guidelines that prescribe how organizations store and manage data. The solution accomplishes this through, intelligent, policy-driven storage that uses metadata to automatically manage the length and location of content storage, reducing IT overhead and helping to avoid human error, open, industry-standard access protocols that allow organizations to choose their preferred independent software vendor platform, a self-managing, highly available nearline archive for medical content, engineered to provide seamless integration of future storage technology and alignment of data with the appropriate storage to help lower expenses.

Universities, medical researchers and healthcare organizations worldwide rely heavily on HPC technology to conduct research that benefits society. However, the density of HPC systems exerts a significant power-and-cooling burden on a data center's capabilities, forcing organizations to continually invest in costly facility upgrades.

The company claims that the new Dell PowerEdge C6100 is the latest evidence of its commitment to energy-efficient solutions. By including features such as high-efficiency fans and power supplies, the PowerEdge C6100 reduces power consumption while meeting rigorous HPC density demands – effectively enabling researchers to do more with less.

Paul Bell, said: "Energy and cost efficient, this solution makes computational computing available to more researchers and scientists in hospitals and universities worldwide. And rapid time to market means they will have access to the latest, most relevant HPC technology to conduct vital research."

The company claims that PowerEdge C6100's unique shared infrastructure and single-node serviceability also save space, weight and time, enabling organizations to focus investments on innovation instead of facilities upgrades. Expedited time-to-market means they can take advantage of the latest processors and emerging technologies, oftentimes more quickly than traditional enterprises.

Judy Hanover, IDC Health Insights said that growth in the use of imaging in diagnosis and treatment, and the sophistication of digitized images, coupled with the storage requirements of the burgeoning EMR space, are putting a major strain on hospital's storage infrastructures. There is need for solutions like medical archiving that help hospitals deal with storing and accessing patient data and images in a way that is cost-effective and manageable for the long term.

Henry Tufo, professor of computer science and director of research computing, University of Colorado at Boulder said that we're using high performance computing to conduct research in areas like climate modeling and genetic research. Needless to say, we need that technology to be extremely efficient, and we need it to be quickly deployable. Dell's solution addresses both of these needs by removing the features we don't need and expediting the delivery of technology we count on for critical research.

Mar 16, 2010: Dell Introduces New PowerEdge Servers And Updates Three Precision Tower Workstations

Dell Inc. (Dell) has introduced nine PowerEdge blade, rack-mount and tower servers and three Dell Precision tower workstations updated with the new Intel Xeon 5600 Westmere-EP series of processors, as well as new enhancements to Dell Lifecycle Controller and Dell Management Console (DMC).

These servers are to address the technology demands of large enterprises, small-to-medium-sized businesses and public organizations, providing them flexible and reliable solutions. These hardware and software solutions offer customers outstanding management capabilities while providing an IT platform for virtualization, server consolidation, mission critical business and database applications.

Dell has designed and built its 11th generation of PowerEdge servers to be more responsive and "intelligent" with the inclusion of the embedded system management, Lifecycle Controller. The new Lifecycle Controller 1.3, an embedded technology on the Dell server motherboard, can help simplify and speed the most time, consuming IT tasks such as system deployment, system updates, workload migration hardware configuration and diagnostics from the desktop to the data center. Independent tests show that with Dell embedded management that the Dell PowerEdge R710 delivered 58% faster pre-OS deployment than the HP ProLiant DL380 G6.

Plus, every Dell PowerEdge server comes with the latest version of Dell Management Console (DMC), which provides IT administrators a unified view of their IT infrastructure. The latest release includes a new power monitoring feature that provides greater awareness of server power consumption, allowing more informed decisions which can lead to lower energy use and cost savings. It also provides "Out of Band" server BIOS and firmware updating that reduces administration time and improves flexibility. The net result is these enhanced systems management capabilities can reduce or eliminate manual processes allowing customers to spend more time on strategic projects.

Something for Everyone: Nine Dell PowerEdge Servers Featuring Intel Xeon 5600 Processors

Dell is offering the new Intel Xeon 5600 series processors across its entire line of two-socket PowerEdge servers, including two blade servers (M710, M610), four rack servers (R710, R610, R510, R410) and three tower servers (T710, T610, T410). With Intel Xeon 5600-based PowerEdge servers, customers can realize better overall system performance increases of up to 69% and energy efficiency improvements of up to 47% in compared to Dell PowerEdge servers with Xeon 5500 processor technology.

In addition, customers can:

Get more computing done with embedded virtualization hypervisors, generous memory footprints and I/O capabilities on Dell PowerEdge 11th generation servers to consolidate the application workloads of several servers onto one.

Help improve energy efficiency through Dell Energy Smart Design enhancements including power supply units right-sized for system requirements, enhanced system-level design efficiency, policy-driven power and thermal management and highly efficient, standards-based Energy Smart components. Energy Smart design focuses on maximizing useful work performed per-watt consumed.

Bolster system and data security with Intel Advanced Encryption Standard New Instructions (AES-NI) and Trusted Execution Technology (TXT) to help protect against emerging software attacks. AES-NI enables broad use of encryption throughout the data center and can make the encryption and decryption process efficient for customers.

Dell's line of PowerEdge servers offers large enterprises, public organizations and small-to-medium sized businesses reliable, high-value IT solutions that help them grow and thrive. Dell PowerEdge servers powered by Intel Xeon 5600 processing technology are globally available through Dell and its PartnerDirect channel partners.

New Rack Server for Small and Midsize Customers:

Dell is also introducing the PowerEdge R310 in early April 2010, a new a high-performance, 1-socket 1U rack server with the right combination of scalable computing power, value and enterprise-class features to meet the diverse needs of small businesses and larger enterprises alike. The compact, energy efficient PowerEdge R310 with the Intel Xeon 3400 series processors is ideal for applications such as Microsoft Windows Small Business Server, Business Center Essentials, Microsoft SQL Workgroup/Standard, Oracle 11g Standard, VMware, Active Directory and SharePoint. Like all 11th generation PowerEdge servers, the R310 takes advantage of simplified systems management via Dell's embedded Lifecycle Controller along with serviceability and diagnostics with optional interactive LCD. Other features include:

RAID configurations to help increase data reliability and/or increase I/O flexible choices in operating systems for flexibility for diverse computing workloads. Choose from Microsoft Windows, Red Hat, Novell SUSE, VMware XenServer and Solaris and, Energy-optimized technologies, including lower wattage power supplies.

Dell Precision Tower Workstations featuring Intel Xeon Processors:

In addition to introducing nine new Dell PowerEdge servers based on Intel Xeon 5600 series processors, the company is making available three new workstations in the coming weeks, the Dell Precision T7500, T5500 and T3500 models. Tailored and optimized for 3D design and animation, engineering, oil and gas exploration, scientific visualization and defense professionals who are seeking standards-based solutions that enable greater flexibility, improved performance and the ability to help their business thrive.

Quotes:

Kirk Skaugen, vice president and general manager of Intel's data center group, said: "Intel has focused on three key areas when developing our latest Xeon 5600 series processors, security, virtualization and energy efficient performance. Dell has chosen to use the Xeon 5600 across its entire 2-socket portfolio, using unique-to-Intel features such more cores and cache, and new security features, making these servers an ideal cornerstone for any enterprise, capable of meeting the computing demands of businesses of all sizes."

Brad Anderson, senior vice president, Dell's business product group, said: "IT organizations are under increasing pressure to improve business productivity while prioritizing technology spend within decreasing budgets. Dell's 11th generation Dell PowerEdge servers help customers spend more time on creating business value and less on planning, deploying and maintaining IT with customer inspired design and advanced systems management. With massive performance gains from greater memory and processing power in our updated servers and built in reliability to minimize single points of failure, Dell is helping companies achieve better business results."

Mar 10, 2010: Dell simplifies data backup, recovery for SMBs

Automated setup and disk provisioning to speed up the backup process

Dell is introducing PowerVault DL2100 Powered by Symantec Backup Exec 2010, a disk-based backup and recovery offering with available deduplication technology in a single server to enable customers to deploy and manage backup and recovery tasks, and reduce backup costs compared to tape-based offerings.

The company claims that the new backup and recovery offering is designed for a diverse group of customers and is an integrated backup offering that can be installed and operated in 18 minutes, 533% faster than a non-integrated version of the same offering.

According to Dell, the new offering features automated setup and disk provisioning to expedite the backup process while providing disk-based backups and recoveries. It reduces the time and costs by providing customers with a disk-based backup offering with source deduplication and integration with the Dell EqualLogic and EMC families of storage arrays and VMware vSphere virtualisation offerings.

In addition, the PowerVault DL2100 also integrates new archive options for Windows file systems and Exchange environments to allow SMBs to manage their data lifecycles by setting automated retention periods to migrate older, less critical data over time to less expensive storage environments, Dell said.

Darren Thomas, vice president and general manager of Dell Enterprise Storage, said: "Customers face exponential data growth and struggle with the amount of critical information they have to store, manage and protect on a daily basis. They're telling us they need ways to automate routine tasks. Our response is to deliver intelligent data management solutions that drastically simplify storage."

Pricing for the DL2100 Powered by Symantec Backup Exec 2010 starts at under \$8,600 while the pricing for the DL2100 Powered by Symantec Backup Exec 2010 with deduplication capabilities starts at under \$11,500.

Mar 09, 2010: Dell unveils 15.6-inch mobile workstation

Offers security options and optional SSD MiniCard for additional data storage

Dell has unveiled a new 15.6-inch mobile workstation Precision M4500, which comes with optional Intel Core i7-920XM Quad Core processor Extreme Edition, Intel Core i7 and Core i5 processors linked with 1066MHz and 1333MHz memory.

The company said that the new mobile workstation provides access to e-mail, calendar, contacts, the internet and virtual remote desktops, with a new technology called Precision ON. It also supports defense customers who require mobile workstation performance and security, including authentication and data encryption, when in the field.

According to Dell, the M4500 weighs around 6.0 lbs and features optional Nvidia Quadro FX 1800M or Quadro FX 880M graphics with 1GB of memory for large models and models with high texture optional HD+ sRGB LED 15.6-inch screen with 120% user selectable colour gamut support optional 3MP camera and Gobi 2.0 mobile broadband support with a multi-touch touchpad.

In addition, it includes support for the 32-bit and 64-bit versions of Microsoft Windows 7, Windows Vista, Windows XP, along with Red Hat Linux 5.3 64-bit and offers compatibility on applications from independent software vendors such as Adobe, Autodesk, Dassault Systèmes, PTC and Siemens PLM Software.

The Precision M4500 also offers an optional SSD MiniCard for additional data storage and user selectable thermal tables that keep systems cool and extend battery life when full power isn't required.

Dell said that its new workstation is compatible with E-Family accessories, including port replicators, notebook stands, display and monitor stands and external storage modules. In addition, it offers security options including ControlVault security, FIPS fingerprint reader and a contactless smart card reader.

Greg Weir, senior manager of Dell Precision workstations, said: "The Dell Precision M4500 establishes new heights for performance and mobility for a workstation. This system provides the freedom to discover, create and imagine on your terms, wherever creativity takes you.

"Top that off with the assurance that you are backed by our robust 'eco system' of ISV partners and our ability to deliver the application performance you need to be productive...now that's getting it done!"

Mar 03, 2010: Dell launches OptiPlex 980, FX100 zero client

Claims to help organisations enhance IT performance and reduce costs

Dell is expanding its portfolio with addition of two new offerings OptiPlex 980 Desktop and FX100 zero client offering, which it claims to enable organisations enhance their IT performance while helping to reduce energy and operational costs.

The company claims that the new OptiPlex 980 Desktop combines management and design to deliver up to 35% greater performance than previous generation OptiPlex systems. It comes in three different chassis options minitower, desktop and small form factor.

In addition, the new OptiPlex 980 features Intel Core processor technology options and solid state drive options for increased performance and reliability 90% energy efficient power supply quiet workplace that reduces system noise by up to 50% and advanced security and systems management.

The company said that the Dell FX100 zero client is a communication system that uses PC-over-IP technology (PCoIP) to help businesses centralise client desktops while delivering the performance and flexibility of a traditional PC.

Dell said that the FX100 uses PCoIP for providing high performance desktops over both LAN and WAN. It also provides benefits of virtual remote desktops such as centralised client image management, storage and processing in a secure location flexible access to virtualised client desktops and a near-zero footprint on account of the FX100's fan-less.

Brett McAnally, director of Dell Product Group, said: "Our customers, including large businesses, government agencies, healthcare organisations and small, medium businesses are looking to explore overall efficiencies in their IT infrastructure which means looking at systems that enable better productivity but result in greater power and cost savings. With the OptiPlex 980 and FX100 we're helping our customers strike a balance, offering flexible solutions and services that meet their complex demands."

The OptiPlex 980 is expected to be available at a starting price of \$807, and the FX100 is shipping with new firmware that adds support for VMware View 4.0 with PCoIP.

Feb 11, 2010: Dell to acquire Kace Networks

To expand its system management portfolio for mid-sized businesses

Dell has agreed to acquire Kace, a system management appliance firm with offerings tailored to the requirements of midsized businesses and public institutions. The terms of acquisition were not disclosed.

The company said that the acquisition will expand its system management offering to give IT administrators in midsized organisations control of their daily operations, to ensure security and compliance, to enhance the accuracy of IT inventory and to speed help desk responsiveness.

Headquartered in Mountain View, Kace provides KBOX systems-management and deployment appliances which carry a range of capabilities including device discovery, system inventory and asset managementconfiguration management, including operating system deployment, power management software distribution, application virtualisation and scripting.

In addition, KBOX provides system deployment, imaging and Windows 7 migrationend-point security through patch management, security-policy enforcement and vulnerability scanningand service management through integrated service desk, user portal and alerting.

KBOX appliances support heterogeneous operating systems including Windows, Mac and Linux and deliver system management capabilities such as integrated application virtualisation.

Steve Felice, president of Dell Consumer and Small and Medium Business (CSMB), said: "We talk directly to thousands of these customers and they tell us they need systems-management tools geared for their environment. The KBOX family of appliances is highly capable, quick to deploy, simple to use and provides a rapid return on investment, exactly the sort of best-value solutions we're delivering to customers."

Appendix

The data and analysis within this report is driven by Global Markets & Companies.

Global Markets & Companies gives you key information to drive sales, investment and deal making activity in your business.

Our coverage includes 130,000+ reports on 115,000+ companies (including 65,000+ private) across 200+ countries and 29 industries. The key industries include Alternative Energy, Construction, Oil & Gas, Clean Technology, Technology and Telecommunication, Healthcare, Power, Financial Services, Retail & Consumer Packaged Goods and Transport.

For more information or to receive a free demo of the services visit

<http://www.global-markets-companies.com/RequestforDemonstration.aspx>

Methodology

GlobalData company reports are based on a core set of research techniques which ensure the best possible level of quality and accuracy of data. The key sources used include:

- Company Websites
- Company Annual Reports
- SEC Filings
- Press Releases
- Proprietary Databases

| Currency Codes | |
|----------------|--------------|
| Currency Code | Currency |
| USD | U.S. Dollars |
| GlobalData | |

Ratio Definitions

| Capital Market Ratios | |
|---|--|
| Capital Market Ratios measure investor response to owning a company's stock and also the cost of issuing stock. | |
| Price/Earnings Ratio (P/E) | Price/Earnings (P/E) ratio is a measure of the price paid for a share relative to the annual income earned per share. It is a financial ratio used for valuation: a higher P/E ratio means that investors are paying more for each unit of income, so the stock is more expensive compared to one with lower P/E ratio. A high P/E suggests that investors are expecting higher earnings growth in the future compared to companies with a lower P/E. Price per share is as of previous business close, and EPS is from latest annual report. Calculation: Price per Share / Earnings per Share |
| Enterprise Value/Earnings before Interest, Tax, Depreciation & Amortization (EV/EBITDA) | Enterprise Value/EBITDA (EV/EBITDA) is a valuation multiple that is often used in parallel with, or as an alternative to, the P/E ratio. The main advantage of EV/EBITDA over the PE ratio is that it is unaffected by a company's capital structure. It compares the value of a business, free of debt, to earnings before interest. Price per share is as of previous business close, and shares outstanding last reported. Other items are from latest annual report. Calculation: (Market Cap + Debt + Preferred Stock - Cash & Cash Equivalents) / (Net Income + Interest + Tax + Depreciation + Amortization) |
| Enterprise Value/Sales | Enterprise Value/Sales (EV/Sales) is a ratio that provides an idea of how much it costs to buy the company's sales. EV/Sales is seen as more accurate than Price/Sales because market capitalization does not take into account the amount of debt a company has, which needs to be paid back at some point. Price per share is as of previous business close, and shares outstanding last reported. Other items are from latest annual report. |

| | |
|--|--|
| | Calculation: $(\text{Market Cap} + \text{Debt} + \text{Preferred Stock} - \text{Cash \& Cash Equivalents}) / \text{Sales}$ |
| Enterprise Value/Operating Profit | Enterprise Value/Operating Profit measures the company's enterprise value to the operating profit. Price per share is as of previous business close, and shares outstanding last reported. Other items are from latest annual report. Calculation: $(\text{Market Cap} + \text{Debt} + \text{Preferred Stock} - \text{Cash \& Cash Equivalents}) / \text{Operating Income}$ |
| Enterprise Value/Total Assets | Enterprise Value/Total Assets measures the company's enterprise value to the total assets. Price per share is as of previous business close, and shares outstanding last reported. Other items are from latest annual report. Calculation: $(\text{Market Cap} + \text{Debt} + \text{Preferred Stock} - \text{Cash \& Cash Equivalents}) / \text{Total Assets}$ |
| Dividend Yield | Dividend Yield shows how much a company pays out in dividends each year relative to its share price. In the absence of any capital gains, the dividend yield is the return on investment for a stock. Calculation: $\text{Annual Dividend per Share} / \text{Price per Share}$ |
| GlobalData | |

Equity Ratios

These ratios are based on per share value.

| | |
|---------------------------------|--|
| Earnings per Share (EPS) | Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. EPS serves as an indicator of a company's profitability. Calculation: $\text{Net Income} / \text{Weighted Average Shares}$ |
| Dividend per Share | Dividend is the distribution of a portion of a company's earnings, decided by the board of directors, to a class of its shareholders. |
| Dividend Cover | Dividend cover is the ratio of company's earnings (net income) over the dividend paid to shareholders. Calculation: $\text{Earnings per share} / \text{Dividend per share}$ |
| Book Value per Share | Book Value per Share measure used by owners of common shares in a firm to determine the level of safety associated with each individual share after all debts are paid accordingly. Calculation: $(\text{Shareholders Equity} - \text{Preferred Equity}) / \text{Outstanding Shares}$ |
| Cash Value per Share | Cash Value per Share is a measure of a company's cash (cash & equivalents on the balance sheet) that is determined by dividing cash & equivalents by the total shares outstanding. Calculation: $\text{Cash \& equivalents} / \text{Outstanding Shares}$ |
| GlobalData | |

Profitability Ratios

Profitability Ratios are used to assess a company's ability to generate earnings, based on revenues generated or resources used. For most of these ratios, having a higher value relative to a competitor's ratio or the same ratio from a previous period is indicative that the company is doing well.

| | |
|---------------------|--|
| Gross Margin | Gross margin is the amount of contribution to the business enterprise, after paying for direct-fixed and direct-variable unit costs. |
|---------------------|--|

| | |
|---|--|
| | Calculation: $\{(Revenue - Cost\ of\ revenue) / Revenue\} * 100$ |
| Operating Margin | Operating Margin is a ratio used to measure a company's pricing strategy and operating efficiency. Calculation: $(Operating\ Income / Revenues) * 100$ |
| Net Profit Margin | Net Profit Margin is the ratio of net profits to revenues for a company or business segment - that shows how much of each dollar earned by the company is translated into profits. Calculation: $(Net\ Profit / Revenues) * 100$ |
| Profit Markup | Profit Markup measures the company's gross profitability, as compared to the cost of revenue. Calculation: $Gross\ Income / Cost\ of\ Revenue$ |
| PBIT Margin (Profit Before Interest & Tax) | Profit Before Interest & Tax Margin shows the profitability of the company before interest expense & taxation. Calculation: $\{(Net\ Profit + Interest + Tax) / Revenue\} * 100$ |
| PBT Margin (Profit Before Tax) | Profit Before Tax Margin measures the pre-tax income over revenues. Calculation: $\{Income\ Before\ Tax / Revenues\} * 100$ |
| Return on Equity | Return on Equity measures the rate of return on the ownership interest (shareholders' equity) of the common stock owners. Calculation: $(Net\ Income / Shareholders\ Equity) * 100$ |
| Return on Capital Employed | Return on Capital Employed is a ratio that indicates the efficiency and profitability of a company's capital investments. ROCE should always be higher than the rate at which the company borrows; otherwise any increase in borrowing will reduce shareholders' earnings. Calculation: $EBIT / (Total\ Assets - Current\ Liabilities) * 100$ |
| Return on Assets | Return on Assets is an indicator of how profitable a company is relative to its total assets, the ratio measures how efficient management is at using its assets to generate earnings. Calculation: $(Net\ Income / Total\ Assets) * 100$ |
| Return on Fixed Assets | Return on Fixed Assets measures the company's profitability to its fixed assets (property, plant & equipment). Calculation: $(Net\ Income / Fixed\ Assets) * 100$ |
| Return on Working Capital | Return on Working Capital measures the company's profitability to its working capital. Calculation: $(Net\ Income / Working\ Capital) * 100$ |
| GlobalData | |

Cost Ratios

Cost ratios help to understand the costs the company is incurring as a percentage of sales.

| | |
|--|---|
| Operating costs (% of Sales) | Operating costs as percentage of total revenues measures the operating costs that a company incurs compared to the revenues. Calculation: $(Operating\ Expenses / Revenues) * 100$ |
| Administration costs (% of Sales) | Administration costs as percentage of total revenue measures the selling, general and administrative expenses that a company incurs compared to the revenues. Calculation: $(Administrative\ Expenses / Revenues) * 100$ |
| Interest costs (% of Sales) | Interest costs as percentage of total revenues measures the interest expense that a company incurs compared to the revenues. Calculation: $(Interest\ Expenses / Revenues) * 100$ |

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Liquidity Ratios

Liquidity ratios are used to determine a company's ability to pay off its short-term debts obligations. Generally, the higher the value of the ratio, the larger the margin of safety that the company possesses to cover short-term debts. A company's ability to turn short-term assets into cash to cover debts is of the utmost importance when creditors are seeking payment. Bankruptcy analysts and mortgage originators frequently use the liquidity ratios to determine whether a company will be able to continue as a going concern.

| | |
|----------------------|---|
| Current Ratio | Current Ratio measures a company's ability to pay its short-term obligations. The ratio gives an idea of the company's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory, receivables). The higher the current ratio, the more capable the company is of paying its obligations. A ratio under 1 suggests that the company would be unable to pay off its obligations if they came due at that point. Calculation: $\text{Current Assets} / \text{Current Liabilities}$ |
| Quick Ratio | Quick ratio measures a company's ability to meet its short-term obligations with its most liquid assets. Calculation: $(\text{Current Assets} - \text{Inventories}) / \text{Current Liabilities}$ |
| Cash Ratio | Cash ratio is the most stringent and conservative of the three short-term liquidity ratio. It only looks at the most liquid short-term assets of the company, which are those that can be most easily used to pay off current obligations. It also ignores inventory and receivables, as there are no assurances that these two accounts can be converted to cash in a timely matter to meet current liabilities. Calculation: $\{(\text{Cash \& Bank Balance} + \text{Marketable Securities}) / \text{Current Liabilities}\}$ |

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Leverage Ratios

Leverage ratios are used to calculate the financial leverage of a company to get an idea of the company's methods of financing or to measure its ability to meet financial obligations. There are several different ratios, but the main factors looked at include debt, equity, assets and interest expenses.

| | |
|--------------------------------|---|
| Debt to Equity Ratio | Debt to Equity Ratio is a measure of a company's financial leverage. The debt/equity ratio also depends on the industry in which the company operates. For example, capital-intensive industries tend to have a higher debt-equity ratio. Calculation: $\text{Total Liabilities} / \text{Shareholders Equity}$ |
| Debt to Capital Ratio | Debt to capital ratio gives an idea of a company's financial structure, or how it is financing its operations, along with some insight into its financial strength. The higher the debt-to-capital ratio, the more debt the company has compared to its equity. This indicates to investors whether a company is more prone to using debt financing or equity financing. A company with high debt-to-capital ratios, compared to a general or industry average, may show weak financial strength because the cost of these debts may weigh on the company and increase its default risk. Calculation: $\{\text{Total Debt} / (\text{Total assets} - \text{Current Liabilities})\}$ |
| Interest Coverage Ratio | Interest Coverage Ratio is used to determine how easily a company can pay interest on outstanding debt, calculated as earnings before interest & tax by interest expense. Calculation: $\text{EBIT} / \text{Interest Expense}$ |

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| Efficiency Ratios | |
|---|--|
| Efficiency ratios measure a company's effectiveness in various areas of its operations, essentially looking at maximizing its use of resources. | |
| Fixed Asset Turnover | Fixed Asset Turnover ratio indicates how well the business is using its fixed assets to generate sales. A higher ratio indicates the business has less money tied up in fixed assets for each currency unit of sales revenue. A declining ratio may indicate that the business is over-invested in plant, equipment, or other fixed assets. Calculation: $\text{Net Sales} / \text{Fixed Assets}$ |
| Asset Turnover | Asset turnover ratio measures the efficiency of a company's use of its assets in generating sales revenue to the company. A higher asset turnover ratio shows that the company has been more effective in using its assets to generate revenues. Calculation: $\text{Net Sales} / \text{Total Assets}$ |
| Current Asset Turnover | Current Asset Turnover indicates how efficiently the business uses its current assets to generate sales. Calculation: $\text{Net Sales} / \text{Current Assets}$ |
| Inventory Turnover | Inventory Turnover ratio shows how many times a company's inventory is sold and replaced over a period. A low turnover implies poor sales and, therefore, excess inventory. A high ratio implies either strong sales or ineffective buying. Calculation: $\text{Cost of Goods Sold} / \text{Inventory}$ |
| Working Capital Turnover | Working Capital Turnover is a measurement to compare the depletion of working capital to the generation of sales. This provides some useful information as to how effectively a company is using its working capital to generate sales. Calculation: $\text{Net Sales} / \text{Working Capital}$ |
| Capital Employed Turnover | Capital employed turnover ratio measures the efficiency of a company's use of its equity in generating sales revenue to the company. Calculation: $\text{Net Sales} / \text{Shareholders Equity}$ |
| Capex to sales | Capex to Sales ratio measures the company's expenditure (investments) on fixed and related assets' effectiveness when compared to the sales generated. Calculation: $(\text{Capital Expenditure} / \text{Sales}) * 100$ |
| Net income per Employee | Net income per Employee looks at a company's net income in relation to the number of employees they have. Ideally, a company wants a higher profit per employee possible, as it denotes higher productivity. Calculation: $\text{Net Income} / \text{No. of Employees}$ |
| Revenue per Employee | Revenue per Employee measures the average revenue generated per employee of a company. This ratio is most useful when compared against other companies in the same industry. Generally, a company seeks the highest revenue per employee. Calculation: $\text{Revenue} / \text{No. of Employees}$ |
| Efficiency Ratio | Efficiency Ratio is used to calculate a bank's efficiency. An increase means the company is losing a larger percentage of its income to expenses. If the efficiency ratio is getting lower, it is good for the bank and its shareholders. Calculation: $\text{Non-interest expense} / \text{Total Interest Income}$ |
| GlobalData | |

Notes

- Financial information of the company is taken from the most recently published annual reports or SEC filings
- The financial and operational data reported for the company is as per the industry defined standards
- Revenue converted to USD at average annual conversion rate as of fiscal year end

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